



COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400
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JAMES F. STAHL
Chief Engineer and General Manager

February 21, 2006
 File: 01/06- 5093
 Account No. 1196030

Peter Nash
 Plant Engineer
SHULTZ STEEL CO.
 5321 E. Firestone Boulevard
 South Gate, CA 90280

Dear Mr. Nash:

Outcome of Compliance Meeting

To seek resolution of the violations at your facility, a meeting was scheduled at this office on February 21, 2006. However, in lieu of the meeting, Robert M. Wienke discussed the matter with Matt McCullough over the telephone. During this telephone discussion Mr. McCullough agreed, as the company representative in this matter, to complete and submit the 2002-2003, 2003-2004 and 2004-2005 Surcharge Statements by March 8, 2006. In addition to the submittal of these statements, Shultz Steel is required to pay the associated balance due plus a ten percent penalty. Interest charges will be billed following receipt of the statements.

At the conclusion of this telephone discussion the following requirement was imposed:

- 1) By March 8, 2006 Shultz Steel will submit the required Surcharge Statements along with the required payment and penalty.

Please be aware that should Shultz Steel fail to comply with this requirement the Sanitation Districts will have no option but to refer this matter to our legal counsel for initiation of civil legal action.

If you have any further questions regarding this matter please contact the undersigned at extension 2905.

Your cooperation in complying with Sanitation Districts' requirements will be appreciated.

Very truly yours,

James F. Stahl

Robert M. Wienke
 Supervising Civil Engineer

RMW:ss

cc: Hunter-Kennedy & Associates
 Attn: John Hunter